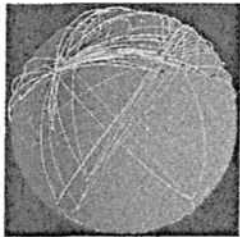


Michigan Internet & Telecommunications Alliance



Connecting Michigan to the World

July 13, 2009

Dear Chairman Mayes,

I am writing on behalf of a group of Michigan based CLECs and ISP's that have invested millions of dollars of technology in our state to express their opposition to HB 4257. This bill or any variation of it dramatically reshuffles the deck of telecom economics in a way that would hurt Michigan based companies in favor of out-of-state companies.

As you know, compensation arrangements between telecom providers are a very complicated matter. The rate one company pays another for "access" to its network is just one part of a complex scheme of state and federal regulation. These existing financial arrangements have been in place for over a decade and these companies have relied on them in their business models as they sought financing. The existing 250,000 line exemption was set for a reason because local networks are so expensive to build. Costs are not spread over large nationwide networks. Nevertheless, these companies took the risk and invested in our state to offer residential and business telecommunications service at lower rates with better service than their larger industry counterparts. It is patently unfair to now change just one aspect of these financial arrangements without a comprehensive review. Indeed, the FCC has recognized this need and as recently as June 24th announced that it would conduct a comprehensive review of "intercarrier compensation." I've attached a page from their website for your review which supports this fact.

Michigan legislative action at this time will reduce telecom competition, increase rates, harm Michigan CLEC and ISP companies and put at risk the very high-tech jobs that this state so desperately needs. We urge you to let the FCC review to be completed prior to any Michigan legislative action. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "John Liskey". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

John Liskey

Liskey@mita1.net

cc: Energy & Technology Committee members

On behalf of the following Michigan based companies: ACD, Arialink, Clear Rate Communications, DayStarr, Grid 4, JAS Networks, Michigan Access, M33 Access, Michigan Online Group, Telnet Worldwide, TC3 Telecom, The Iserv Company, Three Rivers Telecom and Quick Connect.

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